

RESOLUTION NO. 2012-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION AUTHORIZING THE ISSUANCE OF MORTGAGE CREDIT CERTIFICATES (“MCCs”) AND THE ESTABLISHMENT OF AN MCC PROGRAM; ELECTING TO NOT ISSUE MORTGAGE REVENUE BONDS IN LIEU OF ISSUING MCCs; AUTHORIZING THE EXECUTIVE DIRECTOR TO FILE AN ELECTION WITH THE INTERNAL REVENUE SERVICE, TO DETERMINE THE MCC RATES, TERMS AND CRITERIA AND TO GIVE PUBLIC NOTICE OF THE MCC PROGRAM; AND PROVIDING AN EFFECTIVE DATE

**WHEREAS**, the Florida Housing Finance Corporation (the “Corporation”) is authorized under the provisions of Chapter 420, Part V, Florida Statutes (the “Act”), to transact business for the purpose of financing affordable housing developments; and

**WHEREAS**, the Corporation is an authorized issuer of “qualified mortgage bonds” described in Section 143 of the Internal Revenue Code of 1986, as amended (the “Code”) and receives volume cap under Section 146 of the Code to issue such qualified mortgage bonds and other private activity bonds; and

**WHEREAS**, Section 25 of the Code and the regulations promulgated thereunder permit the Corporation to exchange its authority to issue qualified mortgage bonds and other private activity bonds for which it has volume cap in order to issue mortgage credits certificates (“MCCs”) under a qualified mortgage credit certificate program; and

**WHEREAS**, the Corporation desires not to issue qualified mortgage bonds from a portion of its volume cap so that such amounts may be used to issue MCCs in connection with the program authorized herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA HOUSING FINANCE CORPORATION AS FOLLOWS:**

1. That the Florida Housing Finance Corporation (the “Corporation”) does hereby elect, pursuant to Section 25 of the Code, not to issue up to \$500 million of qualified mortgage bonds (the “nonissued bond amount”) that the Corporation is authorized and has volume cap available to issue (including any unused carryforward). The nonissued bond amount is hereby allocated to the MCC program established under this Resolution.

2. That it is the intention of the Board by this resolution to make a “mortgage credit certificate election” as provided in Section 25 of the Code.

3. That the Board approves and authorizes the establishment of a program (the “MCC Program”) of issuing MCCs, pursuant to the election described herein, to qualified homebuyers who incur mortgage loans for eligible purposes. The parameters and purposes of this MCC Program are

attached hereto as Exhibit A and are now before the Corporation. Such parameters are hereby approved in substance, with such changes and modifications as the Executive Director, the staff and counsel to the Corporation deem necessary and advisable, and are incorporated by reference as part of this Resolution.

4. That the Board hereby authorizes and directs the Executive Director of the Corporation to take all action necessary to create and implement the MCC Program of the Corporation which meets all requirements of state and federal law, including, but not limited to, determining the nonissued bond amount, filing notice of the election with the Internal Revenue Service, giving notice to the public of creation of the MCC Program, and developing and approving the program guide, forms and other materials relating to the MCC Program.

**PASSED AND ADOPTED** this 27<sup>th</sup> day of January, 2012.

**FLORIDA HOUSING FINANCE  
CORPORATION**

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**Chairperson**

**ATTEST:**

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**Wellington H. Meffert II, General Counsel**

**Exhibit A to Resolution No. 2012-01**

**FLORIDA HOUSING FINANCE CORPORATION**  
**MORTGAGE CREDIT CERTIFICATE 2011 PROGRAM**  
**PROGRAM PARAMETERS**

The mortgage credit certificate (“MCC”) program will be established pursuant to Section 25 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder to complement the Corporation’s single-family bond program (the “Bond Program”). The following is an outline of the general parameters of the MCC program.

1. The MCC program will follow the same general parameters applicable to the types of borrowers and type of properties which qualify for financing through the Bond Program. Likewise, the same type of certifications will be required of the recipient of the MCC.
2. MCCs shall be issued in connection with mortgage loans for the acquisition, construction, improvement and/or rehabilitation of single family residences within the State of Florida.
3. The MCC program will have the certificate credit rates, eligible loans and other terms and conditions determined by the Executive Director, all in accordance with Section 25 and the regulations.
4. The MCC program will be conducted through the end of the second calendar year following the calendar year in which the Corporation elects not to issue an amount of private activity bonds, or such shorter period selected by the Executive Director, unless a longer period is permitted by the federal tax laws.
5. MCCs shall not be required to be issued in conjunction with the debt of any particular lender.
6. MCCs shall be transferable, to the extent permitted by regulations of the Secretary of the Department of the Treasury of the United States of America and as approved by the Corporation.
7. MCCs to be used for or with respect to any particular developers or developments shall require the prior approval of the Corporation’s Board.
8. The mortgage credit rate on the MCCs shall not be less than 10% nor more than 50%, which shall be established by the Executive Director from time to time.
9. The Executive Director of the Corporation shall notify the Secretary of the Treasury of the United States of America of any mortgage credit certificate revocation.
10. The Corporation may charge a processing fee, as established by the Executive Director, to each recipient of an MCC to defray the costs of administering the MCC Program.

11. During the first year of each MCC program, at least 20% of the MCCs shall be targeted to persons incurring loans relating to residences in certain targeted areas.

12. MCCs may be reissued in connection with certain mortgage loan refinancings at the discretion of the Executive Director.